

P. O. Box 23005  
Jackson, Mississippi 39225-3005  
Telephone (601) 354-7645  
Fax (601) 354-6628



Don Underwood  
Executive Director

Paul Myrick  
Chairman  
Stringer, MS

Marc Curtis  
Vice Chairman  
Leland, MS

Coley Bailey  
Grenada, MS

Herman Dungan  
Prentiss, MS

Ross McGehee  
Natchez, MS

Paul McKay  
Biloxi, MS

Chat Phillips  
Yazoo City, MS

M.C. Sparks, Jr.  
Lake Cormorant, MS

Jack Winstead  
Lawrence, MS

James L. Sledge  
State Forester  
Jackson, MS

Lester Spell  
Commissioner of  
Agriculture  
Jackson, MS

EX-OFFICIO MEMBERS:

Dr. Joe McGilberry  
Director, MSU-ES  
Mississippi State, MS

Dr. Vance Watson  
Director, M.A.F.E.S.  
Mississippi State, MS

March 1, 2004

Mr. David McKay  
Conservation Planning Team Leader  
Conservation Operations Division  
USDA NRCS  
P.O. Box 2890  
Washington, DC 20013-2890

Email: [david.mckay@usda.gov](mailto:david.mckay@usda.gov), Attention: Conservation Security Program

Re: CSP Rules Comment by the Mississippi Soil and Water Conservation Commission

Dear Mr. McKay:

I appreciate the opportunity to offer comments, on behalf of the Mississippi Soil and Water Conservation Commission, regarding the implementation of the Conservation Security Program (CSP). The Commission recognizes the tremendous effort by NRCS in crafting the proposed rule in light of the many financial and policy challenges.

We completely support the NRCS philosophy of "rewarding the best and motivating the rest". We also believe the NRCS definition of an agricultural operation is a welcome change from prior definitions; however, there are a few areas of concern to us within the proposed rule.

We believe the CSP rule should reflect an uncapped entitlement as originally written in the Farm Bill and later restored by the 2004 Consolidated Appropriations Bill. Our specific concerns are as follows:

\*Eliminate the priority watershed approach to implementation. Enrollment in the program should be open to all eligible producers on a national basis and not limited to targeted watersheds.

\*Determination of the recipient for payment between landlord and tenant should be governed by lease agreement. Requiring an applicant to show control of a parcel for the life of the contract in order for that portion to be included for payment does not provide an equitable situation. The non-



qualifying portion is required to be maintained at the conservation standard as part of the contract area. The applicant is required to include non-qualifying land in his contract and expend funds to maintain it but receives no payment.

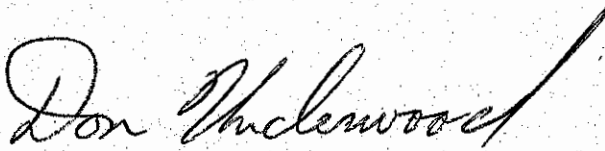
\*Increased effort should be made to authorize the State Conservationist (in consultation with local soil & water districts and workgroups) to shape the program to address the most pressing needs of their states.

\*Utilize the statutory national average base payments. The national per-acre rental rate would certainly address the disparity of rental rates currently in place in Mississippi.

\*Cost share payments should be at the 75% allowed by the statute. We believe any approved practice contained in the Field Office Technical Guide should be eligible.

With kind personal regards, I remain

Sincerely,

A handwritten signature in cursive script that reads "Don Underwood". The signature is written in dark ink and has a fluid, connected style.

Don Underwood  
Executive Director

# UNIVERSITY OF MINNESOTA

740

*Northwest Partnership  
Regional Sustainable Development  
Partnerships*

*262 Owen Hall  
2900 University Ave.  
Crookston, MN 56716  
P: 877-854-7737  
kinge002@umn.edu*

February 27, 2004

*Via e-mail: david.mckay@usda.gov*

Conservation Operations Division  
Natural Resources Conservation Service  
U.S. Department of Agriculture  
P.O. Box 2890  
Washington, D.C. 20013-2890

**Attn: Comments to Conservation Security Program - Proposed Rule (69 Fed. Reg. 194, January 2, 2004.)**

Dear Mr. McKay:

Please receive these comments regarding the Proposed Rule for the Conservation Security Program (CSP) on behalf of the Northwest Regional Partnership.

The Northwest Regional Partnership (NWP) is comprised of an agricultural, natural resource, and citizen-based Board of Directors, and is partially sponsored by the Minnesota State Legislature through the University of Minnesota. The mission of the NWP includes enhancing sustainable production agriculture, natural resources, and tourism in Northwest Minnesota. One of the tools the NWP recently identified to improve the environment and rural way of life in our region includes utilizing opportunities from the CSP authorized by the Farm Security and Rural Investment Act of 2002 (Farm Bill).

The NWP has been closely monitoring Congressional and administrative development of CSP provisions. The NWP has also communicated frequently with the Minnesota Congressional delegation, Minnesota NRCS staff and State Conservationist Bill Hunt on preliminary development of local priorities and procedures for the CSP. To date, the NWP has held three public stakeholder meetings to discuss the CSP, organized a meeting with State Conservationist Bill Hunt, and offered official comments (dated March 20, 2003) on the CSP Advanced Notice of Proposed Rulemaking.

We have organized our comments to the CSP proposed rule in the following categories: general comments regarding the proposed rule, comments specific to provisions within the proposed rule, and Minnesota-specific comments.

## **General Comments**

The NWP is very disappointed in the proposed rule's overall restrictive nature. The rule sets forth a very restrictive new conservation program that will be limited to what likely will be few participants facing overly-rigorous enrollment standards and low payment rates. We feel the rule is written to limit

eligibility and reduce program spending under the guise of seeking rigorous conservation according to "benefit-cost analysis" and self-imposed budget constraints.

Congressional authority places no restrictions on spending for the program after fiscal year 2004 (i.e., it is an uncapped entitlement). Thus we urge USDA to issue a revised proposed rule – or "supplement" as referenced in the proposed rule at 69 Fed. Reg. 194 – which offers meaningful conservation opportunities for working lands. We believe this was the intent of the program as passed by Congress during debate on the 2002 Farm Bill and again considered during recent appropriations debates.

However, for fiscal year 2004, during which Congress limited funding for the program to \$41 million, NRCS should allocate CSP funds to states to conduct pilot projects that address national and state resource concerns, rather than restricting the program to limited "priority watersheds" (§1469.5(e)(2)).

In sum, the proposed rule sets the entry point too high, and fails to provide a nationwide program available to all producers in all regions of the country. Instead, the proposed rule limits CSP eligibility to farmers in a small number of watersheds and, within those watersheds, to certain "enrollment categories and subcategories" of producers.

#### **Specific Provisions within the Proposed Rule**

- Continuous sign-up (§1469.6(d)): The CSP rule should provide for a continuous, predictable, nationwide sign-up process rather than limited sign-up periods based on "enrollment categories" and other factors. Confining eligibility to operations located in "priority watersheds" is overly limiting, and inconsistent with the intent of the law authorizing the program.
- Significant resource concerns (§ 1469.5(a)): Eligibility should not be limited to producers meeting only the highest conservation standards and the most pressing resource concerns. While the national priorities of soil quality and water quality are agreeable as goals for participation, the requirement that those priorities be "adequately addressed" on the portion of the operation being enrolled into the program – prior to enrollment – sets the entry point too high and will fail to encourage or motivate producers to enroll.
- Reduced payments (§1469.23): under the guise of trying to ensure that environmental benefits will be most efficiently achieved, the rule sets the parameters for payments too low. The 90 percent (0.10) reduction factor for base payments is extreme, and inappropriately reduces this type of payment that Congress and the statute already configure with a reasonable methodology (e.g., 5 percent, 10 percent, or 15 percent of the national average rental rate for that land use, depending on the tier level of participation). Furthermore, the rule's reference to reduced cost-share rates, relative to prevailing cost-share payment levels for other conservation programs, is unnecessary and punitive for potential CSP participants.
- Conservation practices (§1469.8): Limiting conservation practices (new practices and existing practices) for a particular resource concern is too restrictive. NRCS should allow for the full range of NRCS-approved practices to be considered as part of all CSP contracts if a particular practice is (or continues to be) appropriate for the resource concern.

#### **Minnesota-Specific Comments**

- Cover cropping practices. NRCS should encourage continuation and implementation of sometimes simple, but innovative cropping practices that reduce wind and water erosion of the

soil. For Northwest Minnesota, these practices might include winter cover crops, the use of perennial crops, utilizing rye, canola or winter wheat crops, and other cropping practices that have the double benefit of providing ground cover and residue while offering income from production. Cover-cropping practices should be recognized as eligible practices with equitable payment rates under the CSP in Minnesota.

- **Strip cropping.** Similar to cover cropping practices, the CSP should encourage and reward farmers for planting strips of crops into rows or sections of low residue crops like sugar beets, potatoes, and soybeans. Researchers and crop consultants show that this practice reduces erosion and adds residue to the soil. NRCS should recognize strip cropping as an existing and new practice under the CSP.
- **Nutrient management.** Soil erosion in Northwest Minnesota would benefit from CSP incentives encouraging farmers to delay cropland tillage until spring rather than immediately after the fall harvest. The CSP should also offer incentives to postpone fertilizer application and to apply accurate fertilizer levels rather than larger amounts due to perceptions and concerns with under-applying. These incentives should also compensate for losses when farmers experiment with alternative conservation-focused cropping practices. For instance, farmers may be skeptical about trying a conservation cropping practice that has only an 80 percent success rate. A tool within the CSP could offer financial incentives for using these cropping practices which would also compensate participants in the event of a failure. A specific example potentially popular in Northwest Minnesota is planting small grains crops with herbicide resistant soybeans to reduce erosion until the soybeans emerge. NRCS should recognize nutrient management practices under eligible existing and new practices for the CSP, and also consider innovative nutrient management practices for enhancement payment opportunities.
- **Perennial grass seed production.** Grass seed production is popular in some parts of Northwest Minnesota, especially Roseau and Lake of the Woods counties. Producers usually grow grass seed, a perennial crop, for 5-7 year periods on the same field. Due to the absence of soil tillage during this period, this rotation with other crops provides excellent soil, wind, and water erosion benefits, wildlife habitat cover, reduction or elimination of noxious weeds, and more. The CSP should reward producers for farming and conservation practices which directly and indirectly address resource needs; NRCS should include perennial grass seed production in this category.
- **Field borders.** Field borders (and the NRCS "use exclusion" practice) filter water run-off, serve as an effective buffer system for riparian areas, wetlands, field drains and road ditches, and provide many other conservation benefits. Both field borders and use exclusions should be considered eligible new and existing practices.
- **Snow and wind drift fences.** Natural or "living" fences made up of certain trees and bushes, tall grasses, annual crops like corn, or other wind blocking vegetation address many conservation priorities. Additionally, living fences along roadways in Northwest Minnesota provide another important function by reducing soil, wind, and snow drift across traffic lanes. We encourage NRCS to offer enhancement or "bonus" payment opportunities through the CSP for the establishment of living fences.
- **Management of excess water.** The management of water quantity through conservation practices would help reduce wind and soil erosion, improve water quality, enhance certain wildlife populations, and control flooding. In seeking to incorporate water quantity management into the CSP, eligible practices for Northwest Minnesota should include options for temporary and long